

CITY OF SAN JOSÉ, CALIFORNIA Department of Planning, Building and Code Enforcement 801 North First Street, Room 400 San José, California 95110-1795		Hearing Date/Agenda Number P.C. 9/08/04 Item:
<h1 style="text-align: center;">STAFF REPORT</h1>		File Number PDC04-055
		Application Type Planned Development Rezoning
		Council District 3
		Planning Area North San Jose
		Assessor's Parcel Number(s) 235-02-001 & 235-02-002
PROJECT DESCRIPTION		Completed by: Mike Mena
Location: Northeast corner of North First Street and East Gish Road		
Gross Acreage: 0.42	Net Acreage: 0.40	Net Density: 83.3 DU/AC
Existing Zoning: CN Commercial Neighborhood		Existing Use Vacant
Proposed Zoning: A(PD) Planned Development	Proposed Use: Mixed Use with up to 3775 sq. ft. of ground floor commercial and 35 100% affordable multi-family attached residential units.	
GENERAL PLAN		Completed by: MM
Land Use/Transportation Diagram Designation Rincon South Specific Plan: Transit Corridor Residential (25-65 DU/AC) and General Commercial		Project Conformance: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> See Analysis and Recommendations
SURROUNDING LAND USES AND ZONING		Completed by: MM
North: Commercial/Hotel	CN Neighborhood Commercial	
East: Restaurant, Apartment Buildings	LI Light Industrial and CG General Commercial	
South: Hotel	CG General Commercial	
West: North First Street/Multifamily Residential (duplex)	A(PD) Planned Development Zoning District	
ENVIRONMENTAL STATUS		Completed by: MM
<input type="checkbox"/> Environmental Impact Report found complete <input checked="" type="checkbox"/> Addendum to a Negative Declaration completed on June 28, 2002		<input type="checkbox"/> Exempt <input type="checkbox"/> Environmental Review Incomplete
FILE HISTORY		Completed by: MM
Annexation Title: Orchard No. 8		Date: November 1, 1951
PLANNING DEPARTMENT RECOMMENDATIONS AND ACTION		
<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Approval with Conditions		Date: 9/1/04 Approved by: _____ <input type="checkbox"/> Action <input checked="" type="checkbox"/> Recommendation
APPLICANT/DEVELOPER	OWNER	CONSULTANT
First Community Housing Attn: Geoffery Morgan. 2 North First Street, Suite 1250 San Jose, CA 95113		

PUBLIC AGENCY COMMENTS RECEIVED

Completed by: MM

Department of Public Works

See attached Memoranda

Other Departments and Agencies

See attached Memoranda from Fire Department and Environmental Services Department

GENERAL CORRESPONDENCE

See attached community meeting notice and correspondence and petition in support of project.

ANALYSIS AND RECOMMENDATIONS

BACKGROUND

The applicant, First Community Housing, is proposing to rezone a 0.42 gross acre site on the northeast corner of North First Street and Gish Road from CN Commercial Neighborhood to A(PD) Planned Development. The proposed rezoning would allow a four-story mixed-use building with up to 3,775 square feet of ground floor commercial space and 35 100% affordable multi-family attached residential units. The ground floor commercial space is designed to be occupied by two separate tenants. The residential portion consists of 9 studios, 14 two-bedroom units and 12 three-bedroom units. The project will provide a total of 69 parking spaces with surface and below-grade parking (53 residential spaces and 16 retail spaces).

The rectangular-shaped lot is currently vacant. The most recent use on the site was a gas station that ceased operations approximately 10 years ago. Site remediation for the gas station use has been completed. The surrounding land uses consist of commercial to the north, commercial and the Kerley area residential neighborhood to the east, the Rosemary Gardens residential neighborhood across North First Street to the west and hotel/commercial to the south. The two adjacent uses are a Best Western San Jose Lodge along the northern property line and the Menara Moroccan Restaurant along the eastern property line. To the south, across Gish Street, is the Wyndham Hotel. Another hotel, the E-Z-8 Hotel, is located further north of the site on First Street. A future development has been approved for a site directly across North First Street consisting of 26 multi-family attached residential units. The site is located within the “Kerley Neighborhood” area as designated in the Rincon South Specific Plan.

A similar proposal to rezone this site was previously filed (PDC02-014). The former, proposed rezoning, would have allowed a four-story mixed-use building with up to 3,230 square feet of ground floor commercial space and 22 multi-family attached residential units, a 24-space surface parking lot and a small amount of landscaped area. The project was recommended for approval by the Planning Commission with a 7-0-0 vote; however, the project was later deferred indefinitely by the City Council largely due to concerns from the Rosemary Gardens Neighborhood west across North First Street regarding the future retail tenant (7-11 Market) and the previous rezoning’s proposed 25 % reduction to the required off-street parking spaces.

ENVIRONMENTAL REVIEW

An Initial Study was prepared for the former mixed-use 3,230 square foot retail and 22 multi-family attached residential unit project and a Mitigated Negative Declaration was circulated for public review by the Director of Planning on June 6, 2002. The mitigated Negative Declaration was adopted on June 28, 2002. Staff has determined that the current project for slightly more commercial square footage and for 13 additional dwelling units would not result in additional or new impacts from those previously considered and therefore staff has prepared an Addendum to the previously adopted Mitigated Negative Declaration for the subject site.

GENERAL PLAN CONFORMANCE

The San Jose 2020 General Plan Land Use Designation for the site is Transit Corridor Residential (25-65 DU/AC) and General Commercial. The proposed use and density (83 DU/AC) is consistent with the San José 2020 General Plan Land Use/Transportation Diagram designations and the Rincon South Specific Plan in that the General Plan's Discretionary Alternate Use Policies allow projects which offer 100% affordable housing to develop at any density under a Planned Development Zoning to help ensure the project can be redesigned to be compatible with the surrounding neighborhood and that projects within 2,000 feet of a light rail station may include mixed use such as the project proposed.

ANALYSIS

The key issues for this proposed rezoning are the project's consistency with the Rincon South Specific Plan and the Residential Design Guidelines, in terms of land use, site design and building orientation, building design and height, setbacks and landscaping, parking and open space.

Land Use

A major goal of the Rincon South Specific Plan is to provide for the "intensification of development in proximity to the Metro and Gish Light Rail stations and the establishment of a new multi-family residential and mixed-use district. Ideally, the Rincon South area will support a mixture of residential and commercial uses that will create "...pedestrian-oriented activity center within San Jose." The site is designated Rincon South Specific Plan: Transit Corridor Residential and General Commercial. In the Specific Plan, this combination of designations was provided to encourage either high density residential, with a density of 25-65 dwelling units per acre or a vertical mixed-use development with commercial or retail on the first floor and residential above. This designation has been reserved for suitable sites proximate to Light Rail stations. The Specific Plan states that development under this designation should be designed to encourage transit use, not automobile use. The plan requires new retail development along North First Street to be oriented to the Gish Light Rail Station and to serve the local neighborhoods. The Rincon South Specific Plan encourages this mix of commercial and residential uses as part of the Guadalupe Intensification Corridor. Without a Planned Development Rezoning to allow vertical mixed-use, the property owner could develop a small-scale retail use under the current zoning of CN Neighborhood Commercial.

The proposed PD rezoning will allow a vertical mixed-use project with commercial/retail use on the ground floor and 35 multifamily attached residential dwelling units above. The density of the project is approximately 83 DU/AC, which could be found consistent with the General Plan as the proposed project will offer 100% of the units affordable to low and moderately low-income families. The project site is located adjacent to the Gish Station of the Guadalupe Corridor Light Rail line and is designed to take advantage of access to mass transit. The project will have entrances to the retail component on First Street, adjacent to the light rail station, and on Gish Road, which is adjacent to the Kerley neighborhood. This rezoning will provide much needed retail uses to support the existing office, hotel and residential developments in the immediate area and will bring in more housing and encourage transit use.

Site Design and Building Orientation

The Rincon South Specific Plan states that new retail and mixed use development should be designed to promote pedestrian access by facing onto the most significant bordering street, consistent with traditional “main street” development. Buildings should be placed to present a relatively unbroken façade to the street. The project conforms to the Specific Plan’s site design and building orientation criteria. The building is sited so it extends completely across the North First Street and Gish Road frontages. The first floor footprint is smaller than the second and third floors, which extend over the site driveways, to increase the overall building’s street presence. Residents and customers will drive under residential floors (second, third and fourth floors) to access the surface and below grade parking lot. As a result, the parking lot, and trash enclosures and other equipment will be screened from public view by the building. The site’s proximity and building’s orientation to the Gish Light Rail Station will make the project conveniently located for easy access from and to the light rail station. The building is placed near setback lines so it is oriented to and integrated with pedestrian and transit circulation routes. The primary entrance into the retail area will be at the corner of North First Street and Gish Road, while the primary entrance for the residential component will be on Gish Road at a less prominent position.

Building Design and Height

The Rincon South Specific Plan encourages the development of street presence as an urban design goal for the area and especially for North First Street. The Plan suggests that buildings should be designed to facilitate activity at the street level and the ground floor street façade should allow views into buildings. The proposed development incorporates storefront windows with awnings along North First Street and Gish Road to give the project a “main street” feel, provide a lively streetscape and allow views into the building. Balconies for the residential units provide articulation along the second, third and fourth floors. The applicant is proposing a high quality urban, architectural design, as depicted in the conceptual elevations in the attached plan set, which will be important for this project to help set the direction for future more urban development near the Kerley Neighborhood. The building is designed to present an urban image with limited automobile access, but will be compatible with the low-rise buildings already existing along North First Street and Gish Road. As stated above, the building fronts directly onto the sidewalk and completely screens the parking lot. The four-story building will have a maximum height of 60-feet, which is below the maximum height of 65 feet allowed in the Specific Plan.

Building Setbacks and Street Frontage Landscaping

The building setback design standards of the Rincon South Specific Plan include a 17-foot setback from North First Street and a 10-foot setback along Gish Road. The project as proposed will provide a 15-foot building setback along North First Street and a 10-foot setback along Gish Road with planted tree wells at the back of curb. Per the Specific Plan standards, both setbacks are measured from the street curb rather than the property line. Although the slightly reduced setback along North First Street will be short by 2 feet, the sidewalk area will meet the minimum City standards for sidewalk width. Additionally, the reduced setback is still in keeping with the intent of the Rincon Specific Plan to create an urban and pedestrian oriented streetscape with buildings designed to encourage use of the adjacent light rail line.

Parking

San Jose's Residential Design Guidelines provide parking standards for residential projects city-wide typically at 1 space per Single Room Occupancy unit, 1.8 spaces per two-bedroom unit and 2.0 spaces per three-bedroom unit. Under these ratios, a total of 59 parking spaces would normally be required for this residential unit combination. The project will provide 53 residential parking spaces on-site and 16 retail parking spaces (1 per 200 square feet of net floor area). The Rincon South Specific Plan recommends that sites located adjacent to light rail stations should be designed to encourage pedestrian access and discourage auto-oriented design. The San Jose's Zoning Ordinance also specifically allows a 10% reduction in required parking for sites located within 2,000 feet of a light rail station. Therefore, the project as proposed generally meets the minimum required off-street parking standards in the Zoning Code.

Residential Open Space

The Rincon South Specific Plan encourages the inclusion of useable open space into residential projects and recommends that they be provided at levels recommended in the Residential Design Guidelines. The Zoning Ordinance requires 3 square feet of common open space per SRO unit and the Residential Design Guidelines recommend 100 square feet per unit of common open space per unit for mixed-use developments. The project as proposed is providing 105 square feet of common open space per unit for a total of 3,675 square feet, exceeding the minimum requirement. The Guidelines also recommend private open space with a minimum of 60 square feet per unit, with a minimum width of 6 feet. However, the guidelines also provide exceptions for mixed-use developments. In highly urbanized sites with a high-density residential land use designation of 25-40 DU/AC or more and which are subject to significant noise from adjacent major streets, private open space may be deleted for up to 50 percent of the units. Because of the site's small size and proximity to major arterial streets, staff has determined that the average of 54 square feet of private open space and average of 105 square feet of common open space provided by the project is adequate.

PUBLIC OUTREACH

Notices for the public hearing were distributed to the owners and tenants of all properties located within 1,000 feet of the project site. The applicant organized a community meeting for this project. The meeting was held on August 9, 2004 at the Wyndham Hotel located directly south of the project site. Approximately 30-40 persons were in attendance at the meeting.

The concerns raised by the residents at the community meeting included crime and security in addition to the off-sale of alcoholic beverages at the proposed market, and are discussed below.

The owner of the property is the corporation that owns the 7-11 store chain, and it has been indicated that the larger of the two proposed retail spaces will be occupied by a 7-11 convenience store. Although the zoning would allow general retail use, are residents expressed concern about a convenience store use, such as the 7-11 store, in the area. Some of the residents are concerned that there will not be enough parking on-site for store customers. Staff explained that the project is not proposing to take a reduction in the minimum required off-street parking spaces for the retail uses. Additionally, convenience stores, such as 7-11, are designed for short visits and quick errands, not browsing. Customers will likely be at the store for a short time to pick up a few items on their way to other activities. There will be some on-street parking available on Gish Road or Kerley Drive. Many customers are anticipated to walk to this store from the Kerley neighborhood, whose residents expressed a need and support for a convenience market at this location. A 7-11 store would also serve the guests of the three proximate hotels within walking distance.

Some area residents have also expressed concerns regarding the potential for crime. The applicant has stated that the site will be well-lit and cameras will be placed in the parking lot to discourage illegal activity. Crimes tend to occur in dim, hidden and quiet areas where the activity is less likely to be observed. North First Street is a busy thoroughfare with a large amount of traffic. The retail store incorporates a design with large windows, will be well-lit and will have an on-site manager. Additionally, because the site is a mixed-use development with residential units located above, it will be to the owner's advantage to maintain a clean and safe site that will attract renters. Staff believes that a mixed-use project including a 7-11 store together with housing will be better maintained than a stand-alone convenience store. Residents also raised concern regarding sale of alcohol in the convenience market. The sale of alcohol would be regulated through several subsequent processes, including the PD Planned Development Permit Process, and the Alcoholic Beverage Control Agency process.

Other residents requested that the developer provide new street lights within the Rosemary Garden Neighborhood across North First Street to address the concern of overflow loitering and crime in their neighborhood from the store, and that 7-11 enter into a *Good Neighborhood Agreement* with the Neighborhood to ensure that business such as bail bonds and tattoo parlors will not occupy the second retail space proposed for the site. Although staff encourages new development to coordinate and work with local neighborhoods, such agreements are not stipulated/required by the development standards of the Planned Development Zoning District.

CONCLUSION

As discussed above, the project is consistent with the type of development envisioned as a goal of the Rincon South Specific Plan and for development along a light rail corridor and is generally consistent with the Residential Design Guidelines. Given the likely continued viability of the surrounding commercial uses including hotels along this major light rail corridor, staff concludes that this proposal for a vertical mixed-use project to anchor this important corner is the best opportunity for some years to make a development statement to implement the Rincon South Specific Plan and relate positively to the Light Rail.

RECOMMENDATION

Planning staff recommends the Planning commission forward a recommendation of approval and the City Council adopt an ordinance rezoning the subject site for the following reasons:

1. The proposed project will be consistent with the San Jose 2020 General Plan Land Use/Transportation Diagram designation of Rincon South Specific Plan: Transit Corridor Residential (25-65 DU/AC) and General Commercial in that projects which offer 100% affordable units may be developed at any density per the Discretionary Alternate Use Policies, if found to be compatible with the surrounding neighborhood.
2. The proposed project will conform to the goals and objectives Rincon South Specific Plan.
3. The project furthers the goals and objectives of the City's infill housing strategies and will promote transit usage.
4. The proposed rezoning is compatible with existing and proposed uses on the adjacent and neighboring properties.

Attachments

cc: Mr. Jeff Oberdorfer/ First Community Housing, 2 North Second Street, Suite 1250, San Jose CA 95113